

NEBRASKA DEPARTMENT
OF INSURANCE

JUL 13 2004

FILED

BEFORE THE DEPARTMENT OF INSURANCE
STATE OF NEBRASKA

STATE OF NEBRASKA
DEPARTMENT OF INSURANCE,

PETITIONER,

VS.

BRADLEY W. FOUST,

RESPONDENT.

CONSENT ORDER

CAUSE NO. A-1571

JUL 12, 2004 ACCT# 8521 \$2,500.00
NO-INVOICE TRAN# 1338914
FOUST, BRADLEY W
CHECK# 3650

In order to resolve this matter, the Nebraska Department of Insurance ("Department"), by and through its attorney, Janette L. Adair and Bradley W. Foust ("Respondent"), mutually stipulate and agree as follows:

JURISDICTION

1. The Department has jurisdiction over the subject matter and Respondent pursuant to Neb. Rev. Stat. §§44-101.01, and 44-4047 et seq.

2. Respondent was licensed as an insurance agent under the laws of Nebraska at all times material hereto.

STIPULATIONS OF FACT

1. The Department initiated this administrative proceeding by filing a petition styled State of Nebraska Department of Insurance vs. Bradley W. Foust, Cause Number A-1571 on June 9, 2004. A copy of the petition was served upon the Respondent at the Respondent's home address registered with the Department by certified mail, return receipt requested.

2. Respondent violated Neb. Rev. Stat. §§44-4059(1)(j) (R.S.SUPP.,2002) as a result of the following conduct:

- a. On or about March 4, 2004, Respondent forged the signature of Ray Andrew on a Bankers Life and Casualty Company Application for an Annuity.
- b. On or about March 4, 2004, Respondent forged the signature of Lloyd Andrew on a Bankers Life and Casualty Company Application for an Annuity.
- c. On or about March 4, 2004, Respondent forged the signature of Ray Andrew on a Bankers Life and Casualty Company Required Taxpayer Identification and Certification Form.

3. Respondent violated Neb. Rev. Stat. §44-4059(1)(h) (R.S.SUPP.,2002) as a result of the following conduct:

- a. On or about July 29, 2003, Respondent went to the home of Mamie McCrory and initiated a life insurance application for Bryan McCrory. Respondent instructed Mamie McCrory to forge the signature of Bryan McCrory on the life insurance application.
- b. On or about July 29, 2003, Respondent went to the home of Mamie McCrory and initiated a life insurance application for Bonner Bontay. Respondent instructed Mamie McCrory to forge the signature of Bonner Bontay on the life insurance application.
- c. On or about July 29, 2003, Respondent went to the home of Mamie McCrory and initiated a life insurance application for Barry McCrory. Respondent instructed Mamie McCrory to forge the signature of Barry McCrory on the life insurance application.
- d. On or about July 29, 2003, Respondent went to the home of Mamie McCrory and initiated a life insurance application for Jermona Bonner. Respondent instructed Mamie McCrory to forge the signature of Jermona Bonner on the life insurance application.

4. Respondent violated Neb. Rev. Stat. §44-1525(10) (R.S.SUPP.,2003) as a result of the following conduct:

- a. On or about July 29, 2003, Respondent signed a life insurance application for Mamie McCrory certifying that "the insurance applied for is not or is not likely to replace or change any existing policies or contracts" while knowing that this statement was false.
- b. On or about July 29, 2003, Respondent signed a life insurance application for Bryan McCrory certifying that "the insurance applied for is not or is

not likely to replace or change any existing policies or contracts" while knowing that this statement was false.

- c. On or about July 29, 2003, Respondent signed a life insurance application for Bonner Bontay certifying that "the insurance applied for is not or is not likely to replace or change any existing policies or contracts" while knowing that this statement was false.
- d. On or about July 29, 2003, Respondent signed a life insurance application for Barry McCrory certifying that "the insurance applied for is not or is not likely to replace or change any existing policies or contracts" while knowing that this statement was false.
- e. On or about July 29, 2003, Respondent signed a life insurance application for Jermona Bonner certifying that "the insurance applied for is not or is not likely to replace or change any existing policies or contracts" while knowing that this statement was false.
- f. On or about March 4, 2004, Respondent signed an annuity application, naming Ray Andrew as owner, certifying "to the best of my knowledge and belief the policy herein applied for is not, intended to or likely to, replace any existing insurance or annuity" while knowing that this statement was false.

5. Respondent violated 210 Neb. Admin R. & Regs. 19-006.01 as a result of the

following conduct:

- a. On or about July 29, 2003, Respondent initiated a life insurance application for Bryan McCrory, and failed to obtain a signed statement as to whether replacement of existing life insurance was involved in the transaction, as the signature of Bryan McCrory on the application is, and was known to be, a forgery.
- b. On or about July 29, 2003, Respondent initiated a life insurance application for Bonner Bontay, and failed to obtain a signed statement as to whether replacement of existing life insurance was involved in the transaction, as the signature of Bonner Bontay on the application is, and was known to be, a forgery.
- c. On or about July 29, 2003, Respondent initiated a life insurance application for Barry McCrory, and failed to obtain a signed statement as to whether replacement of existing life insurance was involved in the transaction, as the signature of Barry McCrory on the application is, and was known to be, a forgery.

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- d. On or about July 29, 2003, Respondent initiated a life insurance application for Jermona Bonner, and failed to obtain a signed statement as to whether replacement of existing life insurance was involved in the transaction, as the signature of Jermona Bonner on the application is, and was known to be, a forgery.
 - e. On or about March 4, 2004, Respondent initiated an annuity application, naming Lloyd Andrew as annuitant and Ray Andrew as owner, and failed to obtain a signed statement as to whether replacement of existing annuity was involved in the transaction, as the signatures of Lloyd Andrew and Ray Andrew on the application are, and were known to be, forgeries.

6. Respondent violated 210 Neb. Admin. R. & Regs. 19-006.02 as a result of the following conduct:

- a. On or about July 29, 2003, Respondent took a life insurance application for Mamie McCrory, that was intended to replace an existing life insurance policy, and failed to present the required "Notice Regarding Replacement" form.
- b. On or about July 29, 2003, Respondent took a life insurance application for Bryan McCrory, that was intended to replace an existing life insurance policy, and failed to present the required "Notice Regarding Replacement" form.
- c. On or about July 29, 2003, Respondent took a life insurance application for Bonner Bontay, that was intended to replace an existing life insurance policy, and failed to present the required "Notice Regarding Replacement" form.
- d. On or about July 29, 2003, Respondent took a life insurance application for Barry McCrory, that was intended to replace an existing life insurance policy, and failed to present the required "Notice Regarding Replacement" form.
- e. On or about July 29, 2003, Respondent took a life insurance application for Jermona Bonner that was intended to replace an existing life insurance policy, and failed to present the required "Notice Regarding Replacement" form.
- f. On or about March 4, 2004, Respondent took an annuity application, naming Ray Andrew as owner, which was intended to replace an existing annuity, and failed to present the required "Notice Regarding Replacement" form.

- g. On or about July 29, 2003, Respondent took a life insurance application for Mamie McCrory, that was intended to replace an existing life insurance policy, and failed to obtain and properly identify a list of all existing life insurance to be replaced.
- h. On or about July 29, 2003, Respondent took a life insurance application for Bryan McCrory, that was intended to replace an existing life insurance policy, and failed to obtain and properly identify a list of all existing life insurance to be replaced.
- i. On or about July 29, 2003, Respondent took a life insurance application for Bonner Bontay, that was intended to replace an existing life insurance policy, and failed to obtain and properly identify a list of all existing life insurance to be replaced.
- j. On or about July 29, 2003, Respondent took a life insurance application for Barry McCrory, that was intended to replace an existing life insurance policy, and failed to obtain and properly identify a list of all existing life insurance to be replaced.
- k. On or about July 29, 2003, Respondent took a life insurance application for Jermona Bonner, that was intended to replace an existing life insurance policy, and failed to obtain and properly identify a list of all existing life insurance to be replaced.
- l. On or about March 4, 2004, Respondent took an annuity application, naming Ray Andrew as owner, which was intended to replace an existing annuity, and failed to obtain and properly identify a list of all existing annuities to be replaced.

7. Respondent was informed of his right to a public hearing. Respondent waives that right, and enters into this Consent Order freely and voluntarily. Respondent understands and acknowledges that by waiving his right to a public hearing, Respondent also waives his right to confrontation of witnesses, production of evidence, and judicial review.

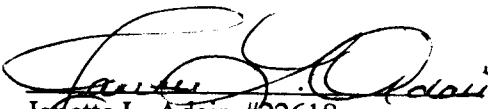
8. Respondent neither admits nor denies the allegations stated in Paragraphs 2 through 6 above.

CONCLUSIONS OF LAW

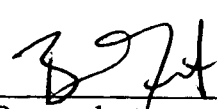
Respondent's conduct as alleged above constitutes a violation of Neb. Rev. Stat. §§44-4059(1)(j) (R.S.SUPP.,2002), 44-4059(1)(h) (R.S.SUPP.,2002), 44-1525(10) (R.S.SUPP., 2003), and 210 Neb. Admin. R. & Regs. 19-006 et. seq.

CONSENT ORDER

It is therefore ordered by the Director of Insurance and agreed by Respondent, Bradley W. Foust, that Respondent's insurance producer's license shall be revoked, and Respondent shall pay an administrative fine in the amount of two thousand five hundred dollars (\$2500.00) due within 30 days after the Director of Insurance or his designee approves and signs this consent order. Additionally, Respondent is required to return his license to the Department of Insurance within ten (10) business days from the date the Director of the Department of Insurance affixes his signature to this document and approves this consent agreement. Upon successful completion of the terms outlined above, the Petitioner agrees to pursue no further disciplinary actions against Respondent's insurance producer license. In witness of their intention to be bound by this Consent Order, each party has executed this document by subscribing his signature below.


Janelle L. Adair, #22618
Attorney for Petitioner
941 "O" Street, Suite 400
Lincoln, NE 68508
(402) 471-2201

7-14-04
Date


Respondent

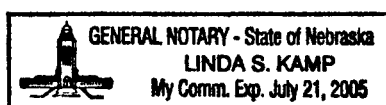
7-07-04
Date


Attorney for Respondent

7-8-04
Date

State of NEBR)
County of Dodge) ss.

On this 7 day of July, 2004, Bradley W. Foust personally appeared before me and read this Consent Order, executed the same and acknowledged the same to be his voluntary act and deed.



Linda S. Kamp
Notary Public

CERTIFICATE OF ADOPTION

I hereby certify that the foregoing Consent Order is adopted as the Final Order of the Nebraska Department of Insurance in the matter of State of Nebraska Department of Insurance vs. Bradley W. Foust, Cause No. A-1571.

STATE OF NEBRASKA
DEPARTMENT OF INSURANCE

L. Tim Wagner
L. TIM WAGNER
Director of Insurance

7/13/04
Date

CERTIFICATE OF SERVICE

I hereby certify that a copy of the executed Consent Order was sent to the Brad Nick, Attorney for Respondent, at 340 East Military Avenue, Fremont, NE 68025, by certified mail, return receipt requested on this 15th day of July, 2004.

Harry A. Finken